

- Provide the Secretary of the Treasury information about anyone who is exempt from the individual mandate, anyone who is receiving a subsidy who works for an employer required to offer insurance, and information about individuals who change employers and who cease coverage under a qualified health plan.¹³⁰
- Provide information to employers of any employee who ceases coverage under a qualified health plan.¹³¹
- Establish a navigator program to provide information to the public about health plan choices and to help them enroll.¹³²
- Consult with relevant stakeholders to carry out required activities.¹³³
- Publish average costs of licensing, regulatory fees, and other payments to the HBE and administrative costs.¹³⁴
- Report on activities, receipts, and expenditures annually to the Secretary of the USDHHS.¹³⁵
- Credit the free choice voucher paid on behalf of qualified employees and consider information from employers that contest the imposition of penalties.¹³⁶

The HBE must be self-sufficient beginning January 1, 2015.¹³⁷ Under the ACA, HBEs can charge assessments, or impose user fees to participating health insurance issuers, or the state must otherwise be able to generate sufficient funds to cover operating costs.¹³⁸ **The federal government will pay the premium tax credits and the cost-sharing subsidies directly to health plans. The federal government will also pay for expenses associated with the establishment of the exchanges in a state until 2015.**

The HBE will play a critical role for many individuals and groups seeking health insurance coverage. Under the ACA, individuals seeking premium and cost-sharing subsidies can only obtain these subsidies if they purchase coverage through the HBE. Similarly, individuals who receive a free choice voucher from their employer can only use the voucher to purchase coverage in the HBE. Additionally, starting in 2014, small businesses can only qualify for the tax credit if they purchase their insurance coverage through the HBE. Other individuals or small employers may choose to purchase coverage through the HBE, including individuals and other small businesses.

The state has many options in implementing the HBE provisions of the ACA. First and foremost, the state must decide whether it wants to create its own HBE or leave it to the federal government to implement. If the state chooses to implement its own HBE, then it has various other implementation options. For example, the North Carolina General Assembly must decide:

¹³⁰ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(d)(4)(I).

¹³¹ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(d)(4)(J).

¹³² Patient Protection and Affordable Care Act, Pub L No. 111-148, §§1311(d)(4)(K), 1311(i).

¹³³ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(d)(6).

¹³⁴ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(d)(7).

¹³⁵ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1313.

¹³⁶ Patient Protection and Affordable Care Act, Pub L No. 111-148, §§10108(d)(2), 1411(f)(2).

¹³⁷ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(a),(d)(5).

¹³⁸ Patient Protection and Affordable Care Act, Pub L No. 111-148, §1311(d)(5).